

MEMORANDUM

To: Interested Parties

From: Office of Congressman Pete Stark (Contact: Brian Cook, 202-225-3202)

Date: Wednesday, January 19, 2011

RE: Tomorrow's "Replace" Resolution Isn't Worth The Paper It's Printed On

Tomorrow, the House of Representatives will vote on the Republicans' "replace" resolution that will be one more in an ever-expanding list of Republicans' broken promises to the American people. **Americans don't believe Republicans are serious about passing legislation that will improve our health care system, and for good reason.** When Republicans were in charge, from 2001 to 2007:

- The number of uninsured rose by 5.9 million people, from 39.8 million to 45.7 million; (U.S. Census Bureau)
- Average family premiums increased by over \$5,000, from \$7,061 a year to \$12,106; (Kaiser Family Foundation)
- National health expenditures rose by \$788 billion – over 52 percent – from \$1.495 trillion to \$2.284 trillion. (Department of Health and Human Services)

The "replace" resolution follows this Republican tradition of doing nothing on health care. This morning, Speaker Boehner admitted that he has no plans to hold committees accountable if this resolution passes, saying: "I don't know that we need artificial deadlines set up for the committees" (The Hill). While Boehner does not state what the difference is between an "artificial" deadline and a "real" deadline, the fact remains – **the resolution the House will be debating tomorrow is meaningless**

:

- There is no requirement in the resolution that the committees have to pass any legislation;
- There is no date by which committees have to pass legislation, or timeline for action;
- Of the 12 "goals" it sets, it is drafted so that committees only have to meet ONE.

Republicans have laid out a set of "principles" in the resolution that they say would like to be the basis for future legislation. Republicans do not need to look very far to find legislation that meets not just one, but ALL of their principles – the Affordable Care Act.

Republican Principles Already Met By The Affordable Care Act

(1) foster economic growth and private sector job creation by eliminating job-killing policies and regulations;

- Since health reform has been enacted, there have been 1.1 million new private sector jobs, including 207,000 in the health care sector. Businesses are already benefiting from provisions in

the health reform law – small businesses are receiving tax credits to help provide coverage to workers, and thousands of employers are using the Early Retiree Reinsurance Program to help provide coverage for retirees. Reform will also help grow the economy. According to CBO, reform will reduce the deficit by \$230 billion over the next decade.

(2) lower health care premiums through increased competition and choice;

- The health reform law establishes new Health Insurance Exchanges, which create fair marketplaces for people to purchase affordable, meaningful private health insurance. These exchanges will enable small businesses and individuals to pool together and get better prices, just like large businesses do today.

(3) preserve a patient's ability to keep his or her health plan if he or she likes it;

- The health reform law provides protections that enable people to keep the health insurance they have today if they like it. In the future, health reform will guarantee that people have the freedom to change jobs, create new businesses, go back to school or pursue other opportunities without fear of losing insurance.

(4) provide people with pre-existing conditions access to affordable health coverage;

- Up to 129 million Americans – one-half of those with private insurance today – have pre-existing conditions. The health reform law already prohibits insurers from denying coverage to children with pre-existing conditions. Starting in 2014, insurers will be prohibited from discriminating against people of any age due to pre-existing conditions. In addition, uninsured people with pre-existing conditions currently have nationwide access to new Pre-existing Condition Insurance Plans (PCIP).

(5) reform the medical liability system to reduce unnecessary and wasteful health care spending;

- The health reform law provides states with \$50 million in grants to propose and test tort reforms that reduce medical errors, enhance patient safety, encourage efficient resolution of disputes and improve access to liability insurance. In addition, many of the payment and delivery system reforms will help improve quality and reduce waste.

(6) increase the number of insured Americans;

- The health reform law will expand coverage to 32 million more Americans over the next decade.

(7) protect the doctor-patient relationship;

- The health reform law makes sure that health care decisions are made by patients and doctors, not insurance companies. Prior to reform, insurance companies could overrule doctors' decisions by arbitrarily limiting patients' coverage and benefits, or retroactively dropping patients

when they got sick. Health reform ends these practices, and puts doctors and patients back in charge.

(8) provide the States greater flexibility to administer Medicaid programs;

- The health reform law provides substantial help to states by having the federal government completely cover the medical expenses of their poorest and sickest citizens through the Medicaid program until 2016, and requiring nominal contributions from the states thereafter. States continue to have wide flexibility in administering their programs provided they meet a basic level of coverage and patient protections that ensures equity for all Americans and taxpayers regardless of where they live.

(9) expand incentives to encourage personal responsibility for health care coverage and costs;

- The health reform law encourages personal responsibility for health care by promoting prevention and wellness, and by requiring everyone, even the lowest-income families, to financially share in the cost of their health care. The law empowers businesses to use strong financial incentives to make employees take responsibility for improving their health, and tests similar programs in the individual marketplace.

(10) prohibit taxpayer funding of abortions and provide conscience protections for health care providers;

- The health reform law maintains the long-standing precedent and status quo of prohibiting federal funding for abortions, except in cases of rape, incest or when the life of the woman is endangered.

(11) eliminate duplicative government programs and wasteful spending; or,

- Health reform is the most significant anti-health care fraud legislation passed in decades, and will save taxpayers billions of dollars by significantly reducing Medicare and Medicaid waste and fraud. It provides new tools to keep fraudsters out of federal health care programs, new penalties for those who commit fraud, and new resources to identify and prosecute health care fraud.

(12) do not accelerate the insolvency of entitlement programs or increase the tax burden on Americans.

- The health reform law added 12 years of solvency to the Medicare Trust Fund – making Medicare solvent until 2029. The law also reduces the tax burden on families by providing new tax credits to working families to make their health insurance affordable, and reduces the tax burden on small business by making new tax credits available to them to provide coverage.

#